



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
NATIONAL VEHICLE AND FUEL EMISSIONS LABORATORY
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OFFICE OF
AIR AND RADIATION

December 3, 2002

CCD-02-18 (LDV/LDT/SM/ICI/LIMO)

Dear Manufacturer:

SUBJECT: Correction to Alternative Fuel Price Forecast for 2003 Model Year

This letter corrects Enclosure 1 of EPA Guidance Letter CCD-02-08, dated May 22, 2002. The fuel costs shown in Enclosure 1 were incorrect for three fuels: LPG, E-85 and CNG. Please use the following revised prices for your new label printing for alternative fuel vehicles as soon as possible after receiving this letter:

LPG	\$1.30 per gallon
E-85	\$1.80 per gallon
CNG	\$1.30 per gallon

The 2003 price forecast for regular unleaded gasoline, premium unleaded gasoline, diesel fuel and electricity remain unchanged. A revision of Enclosure 1 is enclosed with this letter.

If you have any questions, please contact Emily Chen by e-mail at chen.emily@epa.gov, or by phone at 734-214-4122.

Sincerely,

Gregory A. Green, Director
Certification and Compliance Division
Office of Transportation and Air Quality

Enclosure

cc: Mr. John Maples
Energy Information Administration
Office of Integrated Analysis and Forecasting
Forrestal Building, Room 2F-081
Washington, DC 20585

ENCLOSURE 1
(Revised, Ref. CCD-02-18)

Fuel Economy Supplementary Information
for 2003 Model Year

Annual Fuel Cost Estimates

Annual fuel cost estimates used on fuel economy labels (window stickers of new vehicles) are based on the following fuel costs:

Regular Unleaded Gasoline	\$1.55 per gallon
Premium Unleaded Gasoline	\$1.65 per gallon
Diesel Fuel	\$1.40 per gallon
E85	\$2.20 per gallon Revised: \$1.80 per gallon
LPG	\$1.65 per gallon Revised: \$1.30 per gallon
CNG	\$1.15 per gallon equivalent Revised: \$1.30 per gallon equivalent
Electricity	\$0.05, 0.10, 0.15 per kilowatt-hour

The annual fuel cost estimations should be calculated based on 15,000 annual vehicle miles, the above listed fuel cost and the adjusted combined mpg (.55/.45 weighting of the adjusted city and highway FE's, then rounded to a whole mpg). Fuel cost for electric vehicles should be shown for the three electricity costs, because of the wide range of electricity costs throughout the United States.

Fuel Economy Ranges

The publication of the initial ranges as required by 40 CFR 600.314-86(d), will occur at the same time the Guide is released for publication. These ranges shall be applied to all vehicles manufactured more than 15 days after the ranges are available [Ref.: 40 CFR 600.306-86(b)].

Pursuant to 40 CFR 600.314-86(d), we will publish an updated version of all the ranges in February, 2003. This corresponds to the historical date of the second edition of the Guide. All vehicles must be labeled with the updated ranges within 15 days.

Labels issued after release of the initial or updated ranges should include the latest available range of fuel economy for that class of vehicle. After the ranges are initially available, the computer issued receipt will contain the ranges. The receipt will be automatically generated for manufacturers electronically transmitting FE data; other manufacturers can obtain this receipt from your certification team representative after the FE data has been entered. Separate ranges of adjusted city and highway FE values will be given.

EPA/DOE Printed Fuel Economy Guide

It is EPA's intention to include in the printed Guide all manufacturers' label values according to the schedule contained in Enclosure 3. If the manufacturer wishes to exclude a model type from the Guide, a request providing justification for the exclusion must be submitted in writing to EPA. EPA sends all available fuel economy label values to DOE for printing, on the date indicated in Enclosure 3. [DOE is responsible for printing and distributing the Guide.] DOE normally mails the printed Guide to automobile dealerships, libraries, credit unions, etc., in October or early November.

EPA and DOE will not publish a printed copy of the second edition of the Guide in February, as has been done in the past. Instead, we will update the web site (www.fueleconomy.gov) several times during the year.

Release Date

EPA will consider fuel economy label values as confidential until the release date specified by the manufacturer. Normally, manufacturers should enter a release date in the CFEIS database corresponding to the date when the vehicle will be introduced to the public. As indicated above, the printed Guide will normally include all fuel economy label values in the EPA database, regardless of the manufacturer's release date, when EPA forwards the label values to DOE.

EPA Press Release

Each year, EPA releases the Fuel Economy Guide to the press around the time new models are first offered for sale. Our press release typically occurs in the last part of September or early October, and typically includes all the information in the printed Guide, plus some general information about some of the highest and lowest fuel economy cars and trucks.

EPA/DOE Fuel Economy Web Site (www.fueleconomy.gov)

The EPA and the Department of Energy (DOE) maintain a website devoted to fuel economy: www.fueleconomy.gov. The web site contains all the information in the printed Guide, plus tips and other general information about the fuel economy of passenger cars and light trucks. After the EPA press release, EPA will place a copy of the updated Guide information on the web site. The site is updated periodically throughout the year as new models are added..

EPA encourages automobile manufacturers (and dealers) to link their web sites to the EPA/DOE site, as a public reference for fuel economy of passenger cars and light-duty trucks.

Green Vehicle Guide (www.epa.gov/greenvehicles)

EPA will post the 2003 certification and fuel economy information on the Green Vehicle Guide in mid-October. We will assume that the fuel economy data released in the Fuel Economy Guide is complete and accurate. Manufacturers should confirm that their certification emission standards for each test group are accurate (both the numeric value and the emission constituent

names.)

Displaying Web Site Address on FE Labels (Window Stickers)

EPA requests that manufacturers include the EPA/DOE web site address (www.fueleconomy.gov) in a highly visible place on the label, preferably on the border of the label, in lower case letters which are in the same bold condensed type as the words "FREE FUEL ECONOMY GUIDE."

Gas Guzzler Tax

If, according to your calculations, one or more of your model types are subject to the Gas Guzzler Tax, those model types are noted by the letter "G" in the engine description section of the Fuel Economy Guide.

The total amount of tax is determined by the Internal Revenue Service (IRS). The manufacturer is responsible to the IRS for reporting and paying the Gas Guzzler Tax. The tax schedule shown in the 40 CFR 600.513-91 must be used on the label unless the manufacturer has been granted an alternative tax rate schedule. However, the IRS may audit your records and make their own determination about your tax liability. If the IRS determines a different tax rate after the model year, you will not be required to re-label unsold vehicles.

Limousine Manufacturers

Under the Revenue Consolidation Act of 1991, limousine manufacturers and modifiers are covered by the gas guzzler program. Manufacturers of such vehicles should obtain fuel economy labels for their vehicles and conversions.